

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF GRAYSON RURAL)	
ELECTRIC COOPERATIVE CORPORATION)	CASE NO. 9595
FOR PERMISSION TO DEVIATE FROM)	
THE PROVISIONS OF TITLE 807 KAR)	
5:006, SECTION 6(15))	

O R D E R

By application received May 29, 1986, Grayson Rural Electric Cooperative Corporation ("Grayson") requested authorization to deviate from 807 KAR 5:006, Section 6(5), which requires each utility to initiate a program to read each revenue related meter at least once each calendar year. Grayson listed the following reasons for applying for the deviation:

(a) It reads about 50 percent of the meters each year during the normal course of operations and the estimated annual cost to read all meters once each year would be \$40,000 to \$50,000;

(b) It currently reads each of its meters at least once every 3 years;

(c) Under the provisions of the revised regulation it would experience a tremendous increase in its costs associated with complying with the requirements of this regulation;

(d) Its experience has revealed that little or no additional benefit would be realized by either Grayson or its member-owners as a result of abiding by the provisions of this regulation; and

(e) It has previously advised the Commission, in PSC Administrative Case No. 296, of its objection to this revision.

The Commission, having considered the evidence of record and being advised, is of the opinion and finds that:

1. Since this is a new regulation its actual effect upon Grayson's costs and operations are not known; therefore it would be premature, at this time, to grant a deviation from the regulation.

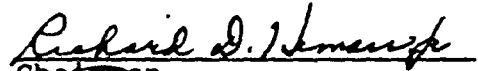
IT IS THEREFORE ORDERED that:

1. The request by Grayson for a deviation from the requirements of 807 KAR 5:006, Section 6(5), be denied without prejudice.

2. Grayson shall maintain records of costs associated with compliance with this regulation so that if it appears justified, another application for a deviation may be made sometime after a year from the date of this Order.

Done at Frankfort, Kentucky, this 16th day of June, 1986.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary